

**STATE OF IOWA**  
**BEFORE THE IOWA UTILITIES BOARD**

<p><b>IN RE:</b></p> <p><b>OFFICE OF CONSUMER ADVOCATE,</b> Petitioner,</p> <p><b>v.</b></p> <p><b>INTERSTATE POWER AND LIGHT</b> <b>COMPANY,</b> Respondent</p>	<p><b>DOCKET NO. FCU-2016-0011</b></p>
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**DIRECT TESTIMONY OF**  
**WENDI CIGRAND**

1    **Q.    Please state your name and business address.**

2    A.    My name is Wendi Cigrand. My business address is 200 First Street SE,  
3           Cedar Rapids, Iowa 52401.

4    **Q.    By whom are you employed and in what capacity?**

5    A.    I am employed by Alliant Energy Corporate Services, Inc. as the Senior  
6           Manager, Customer Support.

7    **Q.    Please explain your educational background and your work**  
8           **experience.**

9    A.    I earned a Bachelor of Arts degree in Business Management from Buena  
10          Vista University in 1993. I have been employed by Alliant Energy since  
11          October of 2000 and have held various positions in Customer Support  
12          Services including Billing Supervisor, Call Center Team Lead, Customer  
13          Satisfaction Manager and Billing Manager. I took my current position as

1 Senior Manager, Customer Support in March 2015.

2 **Q. What is the purpose of your testimony?**

3 A. I will provide a detailed explanation of the resource issues that arose this  
4 past summer and early fall that led to an increase in estimated bills being  
5 issued by IPL. I also will provide testimony on how IPL is resolving those  
6 issues. Finally, I will provide additional facts related to the Office of  
7 Consumer Advocate's (OCA) claim that IPL provided poor customer  
8 service this past summer and early fall.

9 **I. Customer Support Center (CSC) and Customer Care and**  
10 **Billing (CC&B) System Overview**

11 **Q. Please describe the general work performed by IPL CSC**  
12 **representatives.**

13 A. There are three positions in the CSC job family. The Customer Support  
14 Associate is the entry level position and duties include answering phone  
15 calls and emails from customers and responding to questions and  
16 concerns customers may raise—including questions related to power  
17 outages, customer billing, payment options, and customer programs  
18 (energy efficiency and heating support). Additionally, Customer Support  
19 Associates are trained to conduct manual reviews of certain bills produced  
20 by the CC&B system.

21 The second level of the job family is the Customer Support  
22 Representative. In addition to having the ability to perform the duties of a  
23 Customer Support Associate position, the Customer Support  
24 Representative is responsible for resolving a wider variety of billing

1 exceptions and escalated billing issues, and completing more complex  
2 billing tasks.

3 The third level of the job family is the Senior Customer Support  
4 Representative. Primary responsibilities for the Senior Customer Support  
5 Representative include performing complex customer service activities,  
6 successfully resolving escalated issues, and acting as a customer service  
7 expert to internal and external customers.

8 **Q. Please describe the information available to IPL CSC employees**  
9 **within CC&B and how that information differs from what they**  
10 **received from the legacy system.**

11 A. The new CC&B system is customer-focused, and it gathers and analyzes  
12 data that is specific to a customer account. This is in contrast with the  
13 legacy Customer Information System (CIS) that was premise-based. In  
14 the premise-based legacy system, a customer was associated with a  
15 premise, or location, where they had service. Each premise had a unique  
16 account number. In CC&B, each customer has an account number that is  
17 unique to them, regardless of the number of premises or locations where  
18 each customer has service. Each customer's activity within the CC&B  
19 system is associated to them as a person and is more easily tracked over  
20 time. The result of this key difference is Customer Support Associates  
21 and Representatives have a wealth of relevant data on each individual  
22 customer, thus enabling Customer Support Associates and  
23 Representatives to more easily provide customers with complete  
24 information regarding all of the services in their name on each call and

1 matter they resolve.

2 **Q. How does CC&B enhance IPL's ability to serve customers?**

3 A. Knowledge is power, and the additional information provided by CC&B  
4 allows Customer Support employees to better handle customer inquiries.  
5 For example, all customers can participate in My Account (an online self-  
6 service tool that was only available to residential customers in legacy), all  
7 bills are generated within CC&B (manual spreadsheet bills are no longer  
8 produced), the bill design and format is much easier to understand, there  
9 are more robust customer messaging options, customers can sign up for  
10 text and email alerts, and email addresses can be stored and used to  
11 communicate with customers via their preferred channel.

## 12 II. Estimated Bills

13 **Q. Please describe the convergence of circumstances this past summer**  
14 **and early fall that led to an increase in estimated bills.**

15 A. As described more fully by IPL witnesses Gregg E. Lawry, Shirley K.  
16 Stibb, and Dee A. Brown, a number of factors unexpectedly occurred in  
17 mid-2016, resulting in more estimated bills than normal. As described by  
18 Ms. Brown, meter reading staffing availability was reduced, leading to  
19 more circumstances where meters were not read ("no-reads"). In addition,  
20 the summer of 2016 was warmer than in 2015. The Cedar Rapids area,  
21 for example, experienced more cooling degree days in the summer of  
22 2016 as compared to 2015. Cooling degree days are calculated using a  
23 simple average of the high and low temperatures each day compared to a  
24 65 degree base.

1 In Cedar Rapids there were 237 cooling degree days in June 2016  
2 (as compared to 145 in 2015), 254 in July (as compared to 221 in 2015),  
3 and 260 in August (as compared to 144 in 2015).<sup>1</sup> This resulted in CC&B  
4 generating more Hi/Lo<sup>2</sup> check To Dos requiring manual review. The  
5 number of manual reviews needed increased at a time when phone calls  
6 to the CSC were increasing due to cessation on May 16, 2016 of the  
7 suspension of collection activities that IPL put in place as part of its roll-out  
8 of CC&B (which was in addition to the winter moratorium which concluded  
9 at the end of March). Given the increased volume of calls and the  
10 increasing call wait time, certain Customer Support Representatives were  
11 reallocated from the task of manually reviewing bills to answering  
12 customer service calls. As a result, this employee shift increased the  
13 number of estimated bills that were automatically sent by CC&B to  
14 customers due to a manual review not being completed within the billing  
15 window.

16 IPL had anticipated a need for additional CSC staffing when CC&B  
17 was implemented, and aggressively hired new staff, resulting in nearly  
18 doubling the staffing numbers. In July, we brought on a third-party call  
19 vendor to assist with call volumes and wait times, which added 20  
20 employees in July, with a peak number of 49 vendor employees in mid-  
21 August. Unfortunately, even with the additional assistance from the third-  
22 party vendor IPL did not have enough CSC staffing on-hand during the

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<sup>1</sup> IPL uses Weather Underground to determine the number of cooling (or heating) degree days.  
<http://www.wunderground.com>.

<sup>2</sup> A "Hi/Lo" task is further described in the testimony of Shirley K. Stibb.

1 summer and early fall to address the unanticipated number of estimated  
2 bills and a simultaneous high volume of customer calls.

3 This staffing shortfall was not a failure to plan on IPL's part. As  
4 discussed, IPL did plan for and added additional staff prior to this period in  
5 contemplation of increased need. IPL is mindful that overstaffing, like  
6 understaffing, can have negative consequences for ratepayers, including  
7 higher personnel costs that will ultimately be passed on to customers. IPL  
8 believes its staffing groundwork was appropriate for any reasonable set of  
9 foreseeable circumstances.

10 **Q. What was the result of resources being reallocated to answering**  
11 **customer calls?**

12 A. Unfortunately, as a result of the temporary resource challenges faced by  
13 IPL, there was an increase in the number of readings requiring a manual  
14 review, but for which the manual review could not be completed within the  
15 billing window. Specifically, approximately 48,000 bills of over 4,000,000  
16 bills sent – or 1.2% of all bills – did not receive a timely manual review  
17 between February 15 and October 31, 2016. Those bills went out as  
18 estimates.

19 **Q. OCA Witnesses Dr. Keva Hibbert, at page 9 of her direct testimony,**  
20 **and Mr. Brian W. Turner, at pages 7-8 of his testimony, express**  
21 **concern that customers were not given the opportunity to change**  
22 **their behavior as a result of delays in manual review and subsequent**  
23 **revised and true-up bills. Does IPL share that concern?**

24 A. Yes. IPL regrets that some customers did not have more prompt

1 information regarding their usage to enable action toward conservation  
2 and/or energy efficiency. However, IPL does conduct significant outreach  
3 to customers throughout the year to encourage energy efficiency. In  
4 2016,<sup>3</sup> for example, 460 messages regarding energy efficiency were  
5 delivered to customers via bill inserts, PowerHouse, and online and social  
6 media, which have a very broad reach.

7 **Q. OCA witnesses Dr. Hibbert, in her direct testimony at pages 6-7, and**  
8 **Mr. Turner, at page 8 of his direct testimony, imply that IPL was**  
9 **violating code provisions that require a utility to use meter reads**  
10 **when they have them. Could you please comment?**

11 A. IPL makes every reasonable effort to ensure that a bill is accurate before it  
12 is issued. Having a meter read does not necessarily mean that the read is  
13 accurate and reflects actual usage, especially because IPL relies on  
14 manual meter reading and mistakes can happen and meters can  
15 malfunction. It is for that reason that we have a process for reviewing  
16 reads that exceed certain thresholds. The evidence of that need is the  
17 2,212 bills that were flagged by my staff since the start-up of CC&B that  
18 had meter reads, but upon manual review, were identified as inaccurate.  
19 While this complaint is focusing on customer dissatisfaction with estimated  
20 bills and the need for true-ups, if IPL in a rote fashion issued every bill that  
21 had a meter read without completing some form of manual or automated  
22 analysis, there is a very real risk that a bill would not accurately reflect a  
23 customer's usage, due to human error or malfunctioning meters. OCA

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<sup>3</sup> Through September 30, 2016.

1 witness Mr. Turner acknowledges at page 8 of his direct testimony that “if  
2 the usage calculated is not accurate, the utility should seek to correct the  
3 calculation, but not without good reason.” CC&B and my staff’s review of  
4 outlying meter information is that process. We are balancing between  
5 trying to send out zero estimates and billing from an inaccurate read; we  
6 are confident that (1) the contemplated changes to CC&B, (2) the metrics  
7 that allow us better visibility into manual reviews and (3) adequate staffing  
8 will strike that balance.

9 **Q. OCA witness Dr. Hibbert, at page 8 of her direct testimony, suggests**  
10 **that IPL has violated the board rule requiring prompt notice to**  
11 **customers about meter reading information. Do you have a**  
12 **response to that?**

13 A. Yes. We promptly notify customers of their usage – whether on their bill  
14 or through outreach to those who had true-up bills of \$50 or more to offer  
15 payment arrangements and a direct CSC staff contact – after it has been  
16 confirmed as accurate, either by a manual review or by CC&B. It is  
17 important to allow time following a reading for the utility to confirm the  
18 customer’s usage is accurate and to issue estimates where necessary.

19 **Q. OCA witness Dr. Hibbert at pages 12 through 14 of her direct**  
20 **testimony provides examples of customers who received more than**  
21 **three estimated bills in a row. Is there justification for doing that on**  
22 **occasion?**

23 A. Yes. As Dr. Hibbert notes, the code allows for more than three estimated  
24 bills in “unusual cases”. Particularly post-implementation of CC&B, and



1 again as conceded by Dr. Hibbert, these situations are most rare. She  
2 points to one example since rollout of CC&B, and that was the result of a  
3 staff error at IPL. While that one instance is regrettable, it could certainly  
4 be seen as unusual, and it is undoubtedly rare.

5 **Q. OCA witness Mr. Turner, at page 11 of his direct testimony, suggests**  
6 **that IPL violated a code requirement that prohibits disconnection**  
7 **when a customer fails to pay in an undercharge situation. Has that**  
8 **occurred in this situation?**

9 A. Disconnection is a last resort. Regardless of whether a customer received  
10 an estimated bill, any customer with a past-due amount will eventually be  
11 issued a 12-Day Disconnect letter that informs the customer of the past-  
12 due amount, the date by which payment needs to be received, the various  
13 methods by which a payment can be made as well as reference to an  
14 acceptable payment arrangement which could be made by phone, if the  
15 customer qualifies. If the customer did not attempt to rectify the past-due  
16 amount by initiating a conversation with IPL regarding the matter or  
17 making a payment, they would have likely been disconnected due to non-  
18 payment.

19 **Q. OCA witness Dr. Hibbert at pages 18-19 of her direct testimony**  
20 **suggests that the payment plan provided by IPL was unreasonable.**  
21 **OCA witness Turner at page 11 suggests that the company offer a**  
22 **levelized payment plan to affected customers. Do you have a**  
23 **comment on this testimony?**

24 A. Yes. Board rules require that utilities offer payment plans over at least a

1 one-year period. IPL offers at least that length of time to customers to  
2 make the payments and, on a case-by-case basis, for longer periods of  
3 time. Each payment arrangement is made up of equal installments of the  
4 arrears, over the agreed-upon length of time, or can be paid in full or in  
5 part sooner.

6 **Q. OCA witnesses Dr. Hibbert, at page 17 of her direct testimony, and**  
7 **Mr. Turner, at pages 9-10 of his testimony, claim that IPL has violated**  
8 **a code provision which requires prompt and courteous resolution of**  
9 **customer inquiries and complaints. What is your response?**

10 A. IPL's customer service goal is to answer 75% of calls within sixty seconds  
11 or less every day. IPL holds our employees to high standards of providing  
12 exceptional service at the onset of the hiring process and throughout  
13 employment via continuous training and quality monitoring.

14 Customer Support Associates are screened during the hiring  
15 process using standardized tests that indicate the candidate's propensity  
16 for customer service as it pertains to proper phone etiquette and listening  
17 skills. Once hired, the associates participate in an initial five-week  
18 extensive training course that covers the topics of customer service,  
19 business processes, utility practices and the CC&B system. Segments of  
20 the training include soft skill training, such as listening to customer calls  
21 and shadowing tenured employees to listen and learn how to handle  
22 sensitive and emotional issues with appropriate empathy.

23 Additionally, customer calls are periodically recorded and monitored  
24 to ensure that each Customer Support Associate is acting in a

1 professional manner. Those who fail to act in such a manner are retrained  
2 or are subject to progressive discipline. While IPL does not review every  
3 call that comes in, our training and monitoring system ensures that the  
4 vast majority of customers are handled in a courteous professional  
5 manner. It is our standard practice to follow up on any reports of alleged  
6 rudeness by accessing the call recording and having the employee's  
7 supervisor coach and/or discipline as appropriate for the situation.

8 As to call wait times, IPL brought every resource to bear this  
9 summer in an effort to minimize customer time on the phone. The longest  
10 average wait time per day, post implementation of CC&B, was just under  
11 10 minutes, on July 23, 2016. Additionally, since the start of October the  
12 average daily wait time dropped to an average of 165 seconds, and since  
13 the start of November, has dropped even further to an average of 149  
14 seconds. From the initial implementation of CC&B on February 15, 2016,  
15 through November 16, IPL Customer Support Associates have fielded  
16 nearly 650,000 calls from customers. In the first three quarters of 2016,  
17 73.7% of incoming calls were answered within 90 seconds. In the vast  
18 majority of those calls, customers concerns were resolved in a  
19 professional manner. While there are some limited customer complaints  
20 about wait times and Customer Support representative tone, they are  
21 isolated, have been reviewed, and have been addressed.

22 **Q. Has IPL implemented a remedy to the issues that led to staffing**  
23 **challenges over the summer and early fall?**

24 **A.** Yes. Both near-term and mid-term actions have already occurred or are

1 planned to occur.

2 Near-Term Actions:

3 Five PricewaterhouseCoopers (PwC) consultants began on October 10 in  
4 Cedar Rapids to assist with manual reviews and provide expertise in  
5 CC&B. An additional call type, support of our on-line self-service  
6 application, was sent to the third-party call vendor as of October 26. Four  
7 temporary employees have been hired, trained, and are completing  
8 manual reviews in our Centerville location. Five temporary employees  
9 have been hired, trained and are also assisting with manual reviews in  
10 Cedar Rapids. A class of 12 new full-time hires will begin training in  
11 Centerville on December 5, a week earlier than originally planned.  
12 Interviews for a class of new full-time hires in Cedar Rapids will take place  
13 December 1 and 2 with an intended start date of February 6, 2017, or  
14 sooner. We will continue to assess whether additional resources will be  
15 needed.

16 Additionally, the CSC is designating a new role focused solely on  
17 distributing and prioritizing billing system "To Dos"<sup>4</sup> such as manual review  
18 of estimated bills across the CSC team. This "expediter" role is being  
19 filled currently by supervisory CSC staff members, but will be permanently  
20 filled in the first quarter of 2017. The new approach will have one person  
21 serving as the single point of accountability for managing the billing work  
22 process. In the interim, workload has been re-prioritized to require

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<sup>4</sup> As stated in the testimony of Ms. Stibb, a To Do is a follow-up work item generated by the system, triggered by an exception or based on a business-validation rule. Hi/Lo check To Dos require manual review and action to resolve.

1 completion of manual review of bills flagged for Hi/Lo prior to billing.

2 IPL is also conducting additional customer outreach to better  
3 enable meter reader access to premises to reduce the instances of no  
4 meter reading obtained, thereby further reducing estimated bills. IPL is  
5 working to add to its CC&B system a method of creating a To Do to  
6 contact the customer to alert them when a meter reader reports that the  
7 meter is inaccessible or other safety conditions exist at the customer  
8 premise. This will bring real-time awareness to customers as to reasons  
9 why their meter cannot be read and alert the customer to corrective  
10 actions that can be taken.

11 Mid-Term Actions

12 By December 16, 2016, IPL expects to have completed testing to intercept  
13 customers' bills when Hi/Lo manual reviews are not able to be conducted  
14 within the billing window. Bills that fall into this scenario will be held for  
15 review to determine if the actual read is correct and can be used, or if the  
16 estimate is necessary. IPL is also testing a solution that would hold reads  
17 that come in on the final day of the route cycle for review rather than  
18 having them sent as estimates. Ms. Brown describes in her testimony the  
19 meter reader efforts that complement this solution.

20 Details regarding these actions, as well as details on additional  
21 mid-term actions IPL is taking, are shown on IPL Exhibit Lawry Direct  
22 Schedule A.

23 **Q. Are these solutions resulting in fewer estimated bills?**

24 A. Yes. Through the date of my testimony, the number of estimated bills

1 resulting from not being able to confirm a read via manual review and the  
2 number of bills estimated in which a read was available have declined  
3 compared to prior months. IPL will report further on its progress at the  
4 December 19 hearing.

5 **Q. OCA Witness Dr. Hibbert at page 20 of her direct testimony**  
6 **recommends that customers who have true-ups that are in excess of**  
7 **10 percent of their average bills should be given 18-24 months to**  
8 **settle their balance. What is IPL's response to that**  
9 **recommendation?**

10 A. For customers who were affected by one or more estimated bills – for  
11 whatever reason – IPL is willing to set up a payment arrangement. We  
12 will work with customers on a case-by-case basis to make payment  
13 arrangements for longer than 12 months, including up to 24 months.

14 **Q. Does this conclude your direct testimony?**

15 A. Yes.

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AFFIDAVIT OF  
WENDI CIGRAND

STATE OF IOWA                     )  
                                              ) ss.  
COUNTY OF LINN                )

I, Wendi Cigrand, being first duly sworn on oath, depose and state that I am the same Wendi Cigrand identified in the Direct Testimony; that I have caused the Direct Testimony, to be prepared and am familiar with the contents thereof; and that the Direct Testimony, is true and correct to the best of my knowledge and belief as of the date of this Affidavit.

/s/ Wendi Cigrand  
Wendi Cigrand

Subscribed and sworn to before me,  
a Notary Public in and for said County  
and State, this 23<sup>rd</sup> day of November, 2016.

/s/ Tonya A. Bender  
Tonya A. Bender  
Notary Public  
My commission expires on January 28, 2017